



Regulatory Reform

BACKGROUND

The National Small Business Association's 2017 Regulations Survey found that small business owners spend an average of \$12,000 every year on regulations, preventing more than half of small businesses from hiring new employees. Astoundingly, 14 percent of small-business owners report they spend more than 20 hours per month on federal regulations.

Throughout President Trump's presidency, he has stated that excessive regulation has been killing jobs and driving companies out of the United States. He has promised to get rid of unnecessary and burdensome regulations on businesses.

MEMOS AND EXECUTIVE ORDERS FROM PRESIDENT TRUMP

Soon after his inauguration, President Trump signed several executive orders and a presidential memo aimed at making significant across the board reductions in federal regulations. The first action was in the form of a memo to all federal agencies imposing a freeze and regulatory review of all pending rules for a period of 60 days. The President then issued an executive order requiring federal agencies to eliminate two existing rules for every new rule issued. Last March, President Trump also signed an executive order stating that all agencies must form their own regulatory reform task force to evaluate existing regulations and make recommendations to repeal, replace or modify based on factors including impacts on job creation, necessity, effectiveness, cost-benefits and consistency with other regulatory reform initiatives.

CONGRESSIONAL ACTION

Several bills have been introduced by the GOP-controlled Congress to reform the regulatory process.

- "Regulations from the Executive in Need of Scrutiny Act of 2017 (REINS Act)" (S. 21 – waiting Senate consideration, H.R. 26 – passed House) to provide that major rules of the executive branch shall have no force or effect unless a joint resolution of approval is enacted into law. These bills would eliminate overly-burdensome red tape and regulations to lift unnecessary burdens and spur innovation and economic growth. *Sponsors: S. 21- Sen. Rand Paul (R-KY); H.R. 26- Rep. Doug Collins (R-GA)*
- "Midnight Rules Relief Act" (S. 34 – waiting Senate consideration, H.R. 21 – passed House) which allows Congress to consider a joint resolution to disapprove multiple regulations that federal agencies have submitted for congressional review within the last 60 legislative days of a session of Congress during the final year of a President's term. Congress may disapprove a group of such regulations together (i.e., "en bloc") instead of the current procedure of considering only one regulation at a time. *Sponsors; S. 34- Sen. Ron Johnson (R-WI); H.R. 21- Rep. Darrell Issa (R-CA)*
- "Regulatory Accountability Act of 2017" (H.R. 5 – passed House; S. 951 – waiting Senate consideration). It would require agencies to issue a public notice that explains the problem they intend to address and invite the public to comment before issuing a rule that would cost the economy \$100 million annually. Another provision of the bill would apply specifically to "high-impact" rules, or those with an economic impact of \$1 billion or more annually. *Sponsors: S. 951- Sens. Rob Portman (R-OH), Heidi Heitkamp (D-ND) and Joe Manchin (D-WV); H.R. 5- Rep. Bob Goodlatte (R-VA)*

- “Searching for and Cutting Regulations that are Unnecessarily Burdensome Act of 2017” (H.R. 998). The SCRUB Act would create a five-year commission to repeal federal regulations to offset the cost of new rules.
Sponsor: Rep. Jason Smith (R-MO)

“THE ASK”

PMAA urges all members of the Senate to support the: “REINS Act (S. 21); “Midnight Rules Relief Act” (S. 34); “Regulatory Accountability Act of 2017” (H.R. 5, S. 951) and “SCRUB Act” (H.R. 998).

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